

HOUSE BILL 1483

By Towns

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 22, relative to credit cards.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 22, Part 1, is amended by adding the following language as a new section:

§ 47-22-105.

(a) No card issuer shall increase the annual percentage rate or time price differential on a cardholder after issuing the card to such holder because such holder has failed to make a payment or is delinquent on the payment on a card issued to such cardholder by another card issuer or the card holder has made a late payment to any other entity.

(b) Nothing in this section shall prohibit the card issuer from increasing such rate or time price differential to a cardholder for late payments to such issuing company. Provided, that such rate increase shall be in accordance with the terms of the initial contract for the issuance of such card.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.